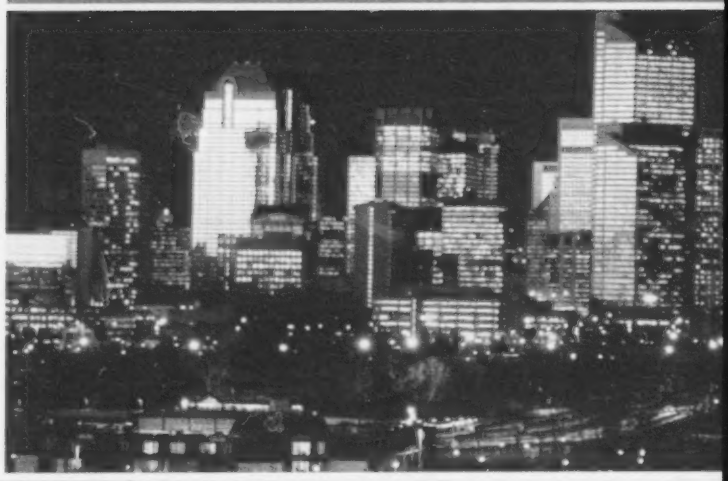

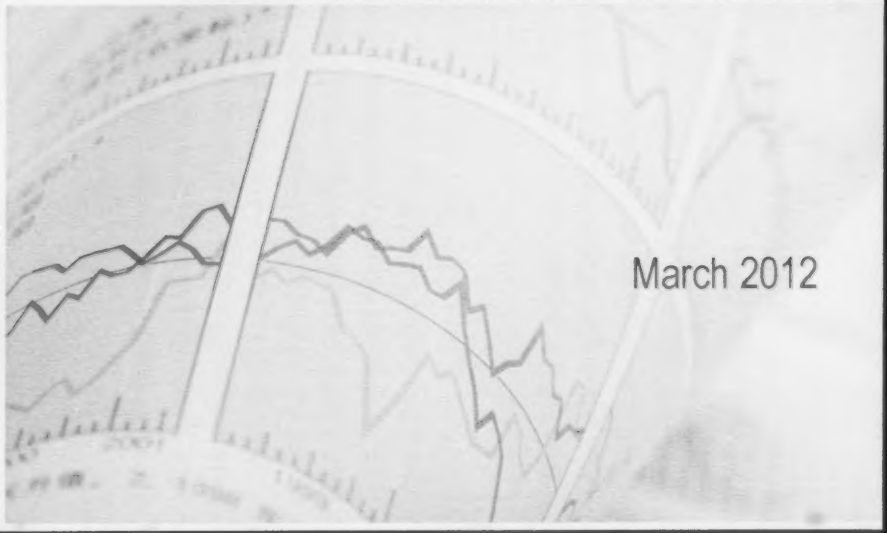

March 2012

Regional Economic Indicators

Wood Buffalo Region

Government of Alberta

WOOD BUFFALO REGION

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The Region at a Glance

The Wood Buffalo region in north eastern Alberta covers an area of 97,267 square kilometers, larger in size than Hungary. The region accounts for 15.2% of Alberta's land mass and for 1.8% of Alberta's population.

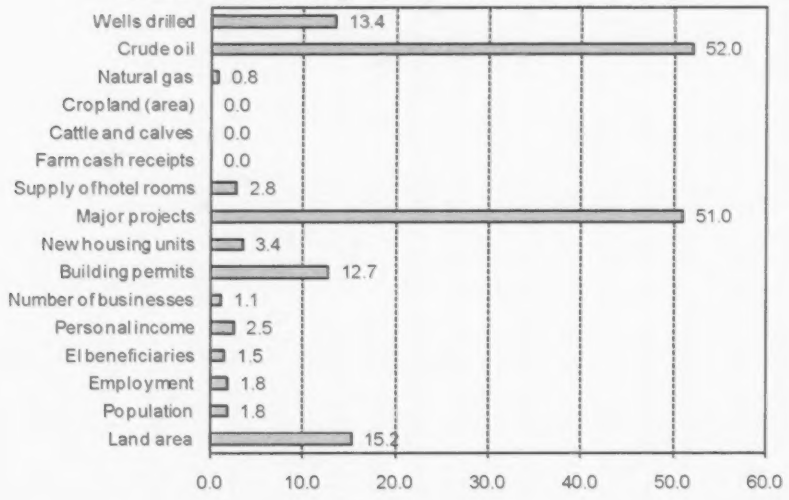
According to Statistics Canada's latest estimates, the region's population totaled 66,900 in 2010, an increase of 20.5% from 2006. According to the Labour Force Survey about 45,000 people were employed in the region in 2010, and the unemployment rate was 4.8%, down from 5.2% in 2009.

The region's largest industry on an employment basis is oil and gas, accounting for more than one-quarter of total employment in 2010, followed by construction at 12% and retail trade at 11%. The fastest growing industries between 2006 and 2010 were retail trade, oil and gas, construction and accommodation and food services.

According to personal income taxfiler data the average individual income was $72,000 in 2007, a large 41% increase from 2003. Average income for couples was $163,900 in 2007, a 39% rise from 2003.

The Wood Buffalo region is Alberta's top crude oil producer because of its vast oil sands reserves, accounting for just over one-half of Alberta's total crude oil output. It is also one of the top regions for drilling activity. As a result of strong oil sands investment, the region accounts for a large share of Alberta's construction activity, as 51% of Alberta's major projects, that have been recently completed, are planned or underway, are located in Wood Buffalo.

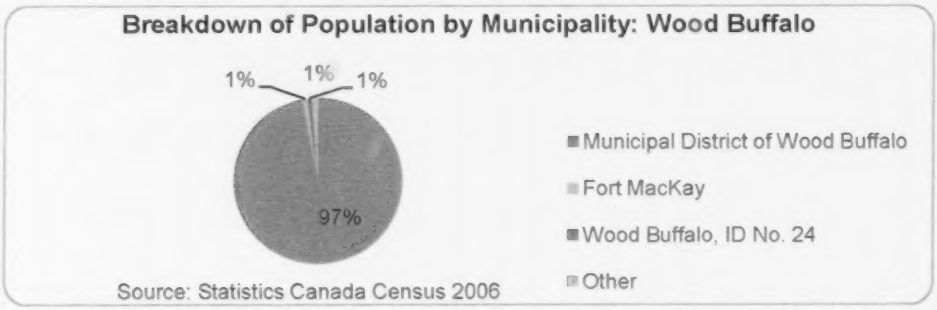
Wood Buffalo Region's Share of Alberta (%)



Although very few current indicators are available on a regional basis, it is clear that the impacts of the global economic crisis have also subsided in this region; for instance the number of Employment Insurance beneficiaries receiving regular benefits in the Wood Buffalo region fell by 4% between 2009 and 2010, and by 8% between June 2010 and June 2011.

Major Municipalities

The largest municipality in the Wood Buffalo Region, according to the 2006 Statistics Canada Census, was the Municipal District of Wood Buffalo with a population of 51,924[1]. The municipality in the Wood Buffalo Region with the highest population growth between 2001 and 2006 was also the Municipal District of Wood Buffalo, which experienced an increase of 25.3% or 10,479 residents between 2001 and 2006. The municipal census of 2007 showed 91,612 residents in the Municipal District of Wood Buffalo, a 16.3% increase from the 2006 municipal census number[2]. The large discrepancy between federal and municipal census estimates can be explained by the large shadow population in the region. According to the 2007 municipal census, 23,202 of the 91,612 residents were considered to be part of the official shadow population, nearly double the 2006 shadow population of 12,743.



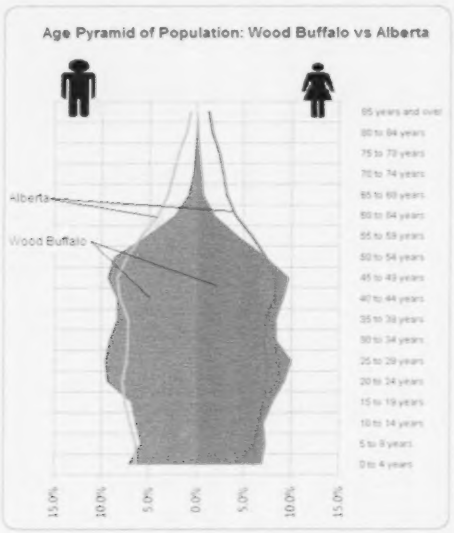
Economic Indicators: Wood Buffalo Region						
Major Municipalities	**Status**	**2006 Population**	**2001 Population**	**5 Year % Change**	**1996 Population**	**10 Year % Change**
Municipal District of Wood Buffalo	Specialized Municipality	51,924	41,445	25.3%	35,213	47.5%
Fort MacKay	Indian Settlement	521	437	19.2%	347	50.1%
Wood Buffalo, No. 24	Improvement District	422	369	14.4%	370	14.1%
Source: Statistics Canada, Census 1996, 2001, 2006						

[1] Note: the Census under-estimates the overall population totals for any region or municipality as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household.

[2] Numerical differences between the federal and municipal censuses may be ascribed to slight variations in the definition of "usual residence," as well as how "shadow populations" are treated. While municipalities define the "shadow population" as "temporary residents of a municipality who are employed by an industrial or commercial establishment in the municipality for a minimum of 30 days" and include them in their official population numbers if they consist at least 10% of the municipality's population or a minimum of 1,000 individuals, the shadow population of transient workers is not accounted for in population counts conducted by Statistics Canada.

Demographics

According to the most recent 2006 Statistics Canada Census, the population of the Wood Buffalo Region was 53,065 in 2006 or 1.6% of Alberta's total population. This was a 23.6% increase from the Census estimate of 2001 and a 46.2% increase from the 1996 Census estimate. The Census indicates that, on average, the Wood Buffalo region's population is somewhat younger than the provincial average. Further, most of the population is part of the prime working age population, with a comparably small section of the population past retirement age. Thus productivity in this region should continue to be at high levels for the foreseeable future.



Economic Indicators: Wood Buffalo Region			
	2006	**2001**	**1996**
Census Population[3]	53,065	42,950	36,284
% of Provincial Total	1.6%	1.4%	1.3%
Population Components	**2006**	**2001**	**1996**
Age Group: 0 - 14 (%)	20.4	23.2	26.9
Age Group: 14 – 24 (%)	16.9	16.6	N/A
Age Group: 25 – 44 (%)	36.0	36.7	N/A
Age Group: 45 – 64 (%)	24.8	21.3	N/A
Age Group: 65+ (%)	2.0	2.1	1.9
Dependency Ratio[4]	28.8	33.8	40.4
Old Age Dependency Ratio[5]	2.5	2.8	2.6
Source: Statistics Canada, Census 1996, 2001, 2006			

[3] See below paragraph about the under-coverage problems of Census population estimates

[4] Dependency Ratio: The percentage of the population below the age of 15(Child) and over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population of children and elderly that are dependent on the adult population for economic needs.

[5] Age Dependency Ratio: The percentage of the population over the age of 64 (Elderly) divided by the number of adults (15-64). This is the population that is dependent on the adult population for economic needs.

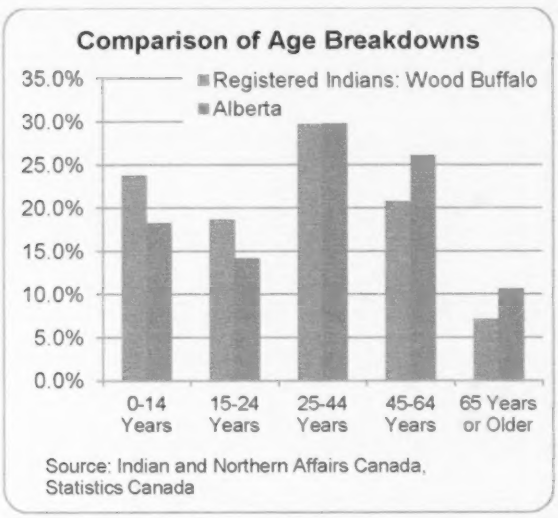
Although the Census provides the most detailed and accurate information at a single point in time on the demographic, social and economic conditions of the population, the Census under-estimates the overall population totals for any region as some people are not counted. The reasons for this under-coverage can range from some households not receiving a census questionnaire to individuals not being included in the questionnaire completed for a household. Therefore, the below presented post-censal estimates should be used as the official population estimates for the region.

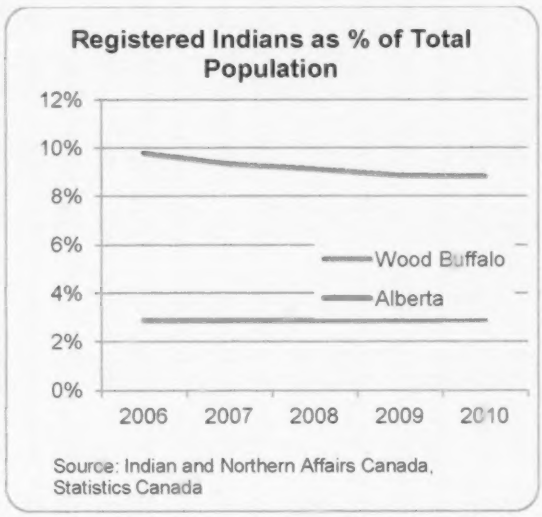
Population Estimates – Wood Buffalo Region					
	2010	**2009**	**2008**	**2007**	**2006**
Total Population (Thousands)	66.9	65.2	62.1	59.4	55.5
Share of Provincial Total (%)	1.8%	1.8%	1.7%	1.7%	1.6%
Source: Statistics Canada – estimates as of July 1 of each year					

According to the post-censal estimates, the region's population increased by 11,400 or 20.5% between 2006 and 2010, compared with 8.8% growth at the provincial level. The region's share of Alberta's population was stable at 1.8% in 2010.

Aboriginals

In 2010, bands in the Wood Buffalo Region had a population of 5,901 Registered Indians, 36.3% of whom lived on reserve and crown land. [1] This represents a 10.5% increase in registered population over five years. Registered Indians comprised 8.8% of Wood Buffalo's total population in 2010, compared with 2.9% for the province as a whole. Registered Indians in Wood Buffalo are somewhat younger than the average Albertan; 24% are under the age of 15 (versus 18% of the provincial population).



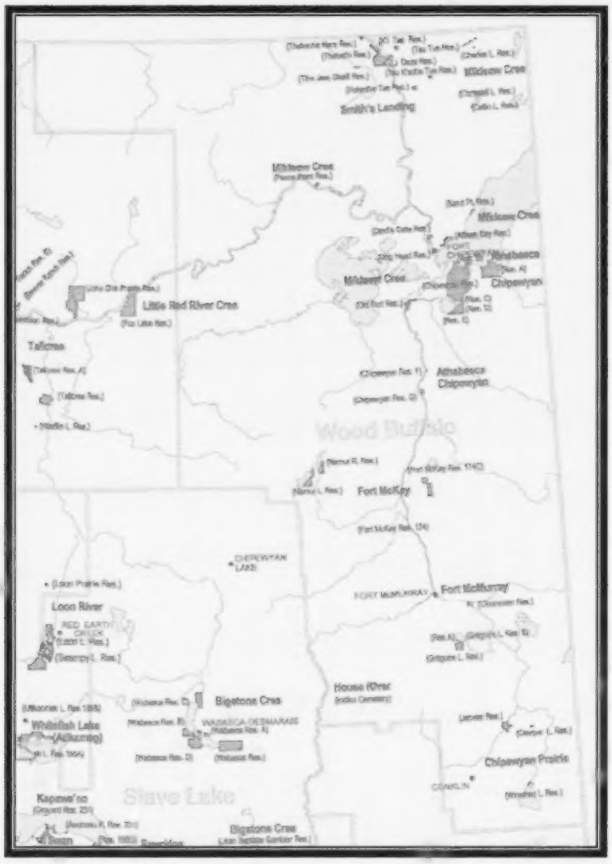


Registered Indian Population, by Type of Residence and Group: Wood Buffalo Region

Group	Residence Type	2010	2009	2008	20007	2006	2005	1-Year Change	5-Year Change
Registered Indian	Total	5,901	5,773	5,672	5,547	5,431	5,338	2.2%	10.5%
	Reserve & Crown Land	2,144	2,108	2,101	2,083	2,070	2,046	1.7%	4.8%
	Off Reserve	3,757	3,665	3,571	3,464	3,361	3,292	2.5%	14.1%
Athabasca Chipev	Total	924	896	876	835	824	810	3.1%	14.1%
	Reserve & Crown Land	230	230	238	238	239	240	0.0%	-4.2%
	Off Reserve	694	666	638	597	585	570	4.2%	21.8%
Chipewyan Prairie	Total	728	711	696	689	678	661	2.4%	10.1%
	Reserve & Crown Land	354	344	335	332	331	323	2.9%	9.6%
	Off Reserve	374	367	361	357	347	338	1.9%	10.7%
Fort McKay	Total	691	661	647	630	615	601	4.5%	15.0%
	Reserve & Crown Land	367	343	337	327	319	314	7.0%	16.9%
	Off Reserve	324	318	310	303	296	287	1.9%	12.9%
Fort McMurray	Total	628	614	602	597	591	572	2.3%	9.8%
	Reserve & Crown Land	266	263	259	258	253	242	1.1%	9.9%
	Off Reserve	362	351	343	339	338	330	3.1%	9.7%
Mikisew Cree	Total	2,608	2,574	2,537	2,488	2,421	2,395	1.3%	8.9%
	Reserve & Crown Land	770	773	778	775	775	773	-0.4%	-0.4%
	Off Reserve	1,838	1,801	1,759	1,713	1,646	1,622	2.1%	13.3%
Smith's Landing	Total	322	317	314	308	302	299	1.6%	7.7%
	Reserve & Crown Land	157	155	154	153	153	154	1.3%	1.9%
	Off Reserve	165	162	160	155	149	145	1.9%	13.8%

Source: Indian And Northern Affairs Canada, Alberta Municipal Affairs

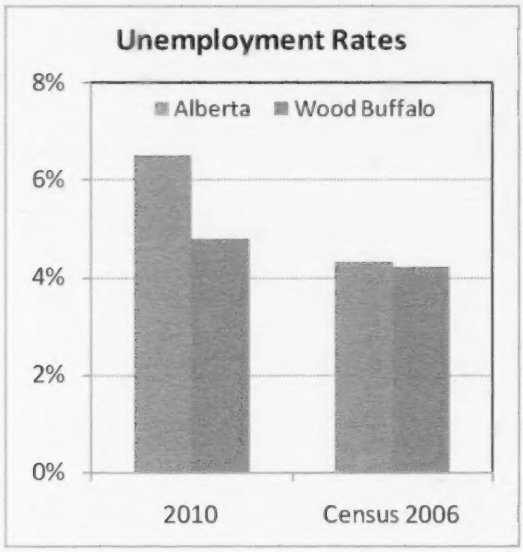
[1] **Registered (Status) or Treaty Indians:** According to Statistics Canada Registered Indians (also referred to as "status Indians") refer to those persons registered under the *Indian Act* while Treaty Indian refer to people who are registered under the *Indian Act* and who belong to an Indian Band or First Nation that signed a treaty with the Crown. Registered/Treaty Indians may be classified as on or off reserve indicating their place of residence.

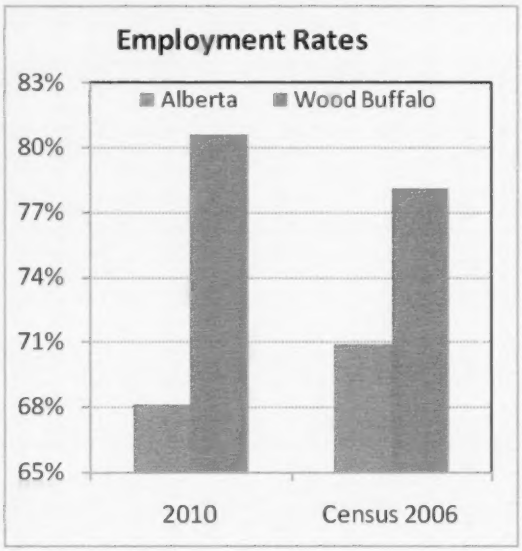

Smith's Landing
Little Red River Cree
Tallcree
Athabasca Chipewyan
Wood Buffalo
Fort McKay
Fort McMurray
Loon River
Whitefish Lake (Atikameg)
Bigstone Cree
House River
Chipewyan Prairie
Kapawe'no
Slave Lake

Labour Force Characteristics

According to Statistics Canada's Labour Force Survey (LFS), the Wood Buffalo region's employment rate[7] for the working age population of 15 years and older was 80.6% in 2010 and the participation rate[8] was 84.7%. By comparison, Alberta's employment and participation rates were much lower at 68.1% and 72.9%, respectively.

The region's unemployment rate was 4.8% in 2010, down from 2009's rate of 5.2%. Alberta's unemployment rate was 6.5% in 2010.





Between census years 2001 and 2006, the number of people employed in Alberta grew by 14.7% or by 239,800. Over the same period, employment in the Wood Buffalo region grew by an estimated 8,515 or 29.6%, the largest increase of all regions. In 2006, the Wood Buffalo region made up 1.6% of Alberta's working age population (15+ years). Between 2006 and 2010, the region's working age population (15+) increased by about 12,000, while employment increased by more than 9,000 as a result of rapid growth in the oil sands sector.

In 2010, the number of people employed in Alberta declined by 0.4% or by 8,600, after a 1.4% decline in 2009, due to the global recession. Employment levels in the Wood Buffalo region have increased steadily since 2006 and increased by an estimated 3,300 in 2010. In 2010, the Wood Buffalo region made up 1.9% of Alberta's working age population (15+ years), compared with the region's 1.6% share in 2006.

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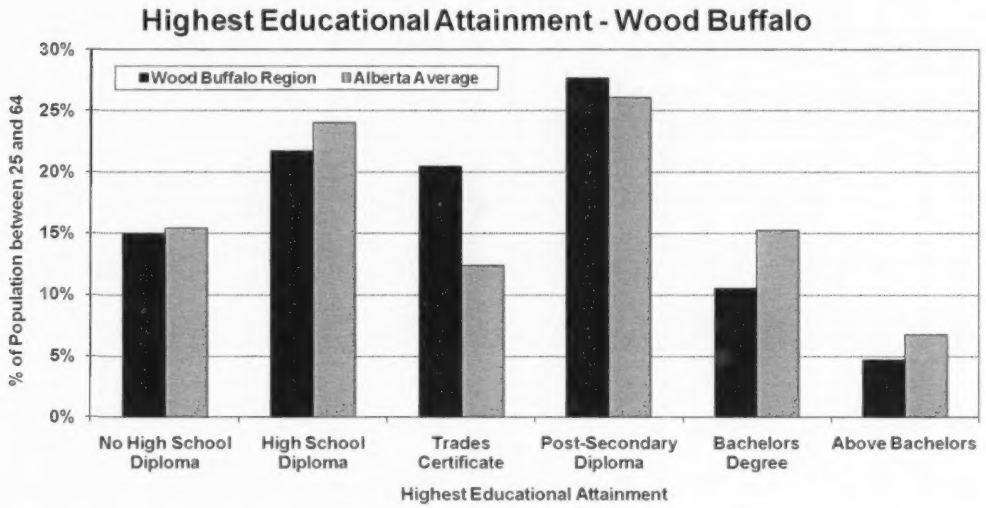
[7] The employment rate measures the proportion of the adult population that is employed. Employment Rate = (Employed / Population 15+)*100. High labour utilization traditionally accompanies strong economic activity.

[8] The participation rate measures the proportion of the adult population that is in the labour force. Participation Rate = (Labour Force / Population 15+)*100. High labour participation is an effective indicator of the level of engagement among the working age population and traditionally accompanies strong economic activity.

Labour Force Characteristics – Wood Buffalo Region					
	2006	2007	2008	2009	2010
Population: 15 years and older (Thousands)	44.3	47.4	50.3	53.4	56.2
Labour Force: 15 years and older (Thousands)	37.1	40.3	42.1	44.3	47.6
Employment: 15 years and older (Thousands)	35.7	38.8	40.6	42.0	45.3
Participation Rate: 15 years and older (%)	83.7	85.0	83.7	83.0	84.7
Unemployment Rate: 15 years and older (%)	n/a	n/a	n/a	5.2	4.8
Employment Rate: 15 years and older (%)	80.6	81.9	80.7	78.7	80.6
Source: Statistics Canada, Labour Force Survey N/A= data suppressed, insufficient sample size					
Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions, due to sample size problems and there not being any population control totals for non-standard geographies such as this region.					

According to the 2006 census, for the working age population of between 25 and 64 years, 42.9% had a post-secondary degree or diploma in the region, compared with 48.1% for all of Alberta. However, the region does have a much larger share holding a trades certificate: 20.5% in the region vs. 12.4% in Alberta. 14.9% of the region's working age population did not finish high school, comparable to the Alberta average of 15.4%.

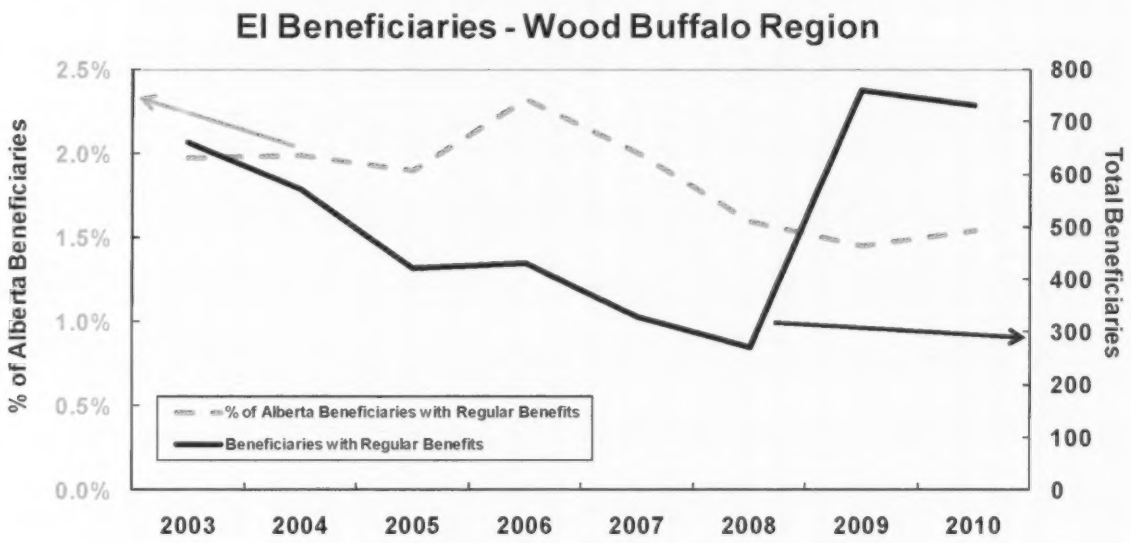


Employment Insurance Beneficiaries

In 2010, 730 people received regular Employment Insurance (EI) benefits[9] in the Wood Buffalo region, a 4% decrease from the 2009 number of 760[10]. Over the same period, the number of EI recipients fell by 9% in Alberta. The region's share of Alberta EI recipients remained at 1.5%. Between February 2010 and February 2011, the number of regular beneficiaries fell by an estimated 2% in the region.

The total number of income beneficiaries[11] with both regular and special benefits, such as for sickness or parental leave, increased by 1% between 2009 and 2010.

Note: although this measure provides a useful gauge of unemployment it is an imperfect measure, as it excludes self-employed workers and individuals who were unemployed for more than 12 months. At the Canadian level, the EI beneficiaries-to-unemployed ratio was fairly stable over time prior to the recession at between 40% and 45%. In Alberta, the ratio fell gradually during the economic boom years from more than 40% in 1996 to less than 25% in 2007 and the first nine months of 2008. The ratio climbed to more than 40% in 2009 and was 36% in 2010.



EI Recipients: Wood Buffalo								
	2005	2006	2007	2008	2009	2010	1-Year Change	5-Year Change
Total Income Beneficiaries	960	990	940	870	1,390	1,400	1%	46%
# of EI Beneficiaries with Regular Benefits	420	430	330	270	760	730	-4%	74%
% of Alberta Beneficiaries with Reg. Benefits	1.9%	2.3%	2.0%	1.6%	1.5%	1.5%	0.0%	-0.4%
Source: Statistics Canada, Human Resources and Skills Development Canada								

[9] The number of beneficiaries receiving regular benefits excludes claimants receiving training, job creation and self-employment benefits as well as other employment and support measures benefits.

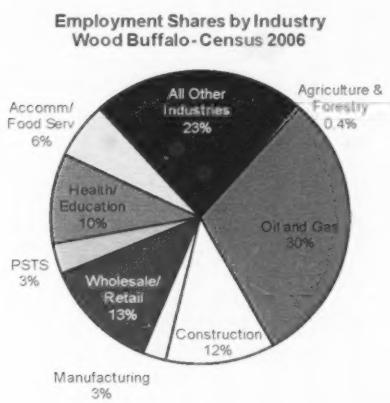
[10] Canada's Economic Action Plan provides beneficiaries with five extra weeks of regular EI benefits in 2009 and 2010.

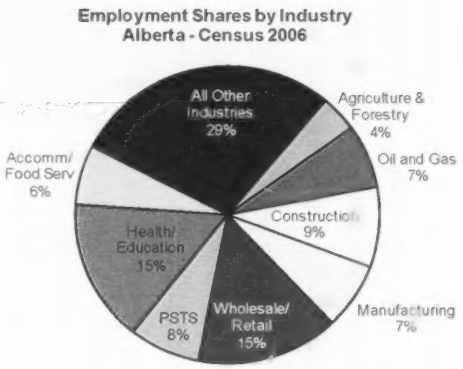
[11] The number of beneficiaries receiving total income benefits includes both the beneficiaries receiving regular benefits and those receiving special benefits, such as for training, job creation, sickness, parental.

Employment by Industry

In 2006, according to Statistics Canada's census data, the services-producing sector in the Wood Buffalo region accounted for about 54% of the total number employed. By comparison, the service sector accounted for 72% of Alberta's employment.
The Mining and Oil and Gas industry employed the largest number of individuals. This industry accounted for 30% of the region's employment in 2006, much higher than the industry's 7% share at the Alberta level. The region's next largest industries were Construction and Retail Trade, which accounted for 12% and 9%, respectively, of regional employment.

Between 2001 and 2006, the Mining and Oil and Gas industry had the largest employment gain (up 2,640), mainly because of increased oil sands production. A large increase of nearly 1,000 jobs was also noted for the Construction sector. The Wood Buffalo region is the only Alberta region with employment gains in all major sectors between the two censuses.





PSTS = professional, scientific and technical services

Although industry specific estimates from the Labour Force Survey are not very reliable[12] for the small regions, it would appear from the survey's results that the Oil and Gas sector (mainly oil sands extraction) has increased its employment level between 2006 and 2010. Large employment increases were also noted for the Retail Trade and Accommodation and Food Services sectors.

[12] Due to sample size problems and there not being any population control totals for non-standard geographies

Employment by Industry - Wood Buffalo Region		
	2006	**2001**
All Industries (Thousands) - Total	**46.2**	**41.3**
Goods-Producing Sector	**18.1**	**16.0**
Agriculture & Forestry	3.3	3.6
Mining & Oil & Gas	7.3	5.0
Utilities	0.5	0.5
Construction	3.8	3.2
Manufacturing	3.2	3.6
Services-Producing Sector	**28.1**	**25.3**
Wholesale Trade	1.4	1.1
Retail Trade	5.0	4.5
Transportation & Warehousing	3.1	2.8
Finance, Insurance, Real Estate & Leasing	1.6	1.3
Professional, Scientific & Technical Services	1.5	1.3
Business, Building & Other Support Services	1.3	1.0
Educational Services	2.1	2.0
Health Care & Social Assistance	2.7	2.5
Information, Culture & Recreation	1.0	0.8
Accommodation & Food Services	4.3	4.7
Other Services	2.5	1.9
Public Administration	1.6	1.6

Source: Statistics Canada, Census 2001 and 2006

Statistics Canada cautions the reader that the regional Labour Force Survey estimates may be subject to large year-to-year fluctuations, especially for the smaller regions. Because of these data problems, census data for 2001 and 2006 were used for all indicators for the smaller regions such as the Wood Buffalo Region and data for these indicators for the other years are not included in the tables.

Energy

Oil and gas production in the Wood Buffalo region has diverged over the last five years, with gas production declining by 47.8% between 2004 and 2009, and oil production rising by 32.3% over the same period. Surface-mined oil production has increased by 17.7% over the last 5 years, while bitumen production has increased by 274.3%. Between 2008 and 2009, gas production declined by 14.5% while oil production rose by 17.0%.

Wood Buffalo's share of overall Alberta gas production was 0.9% in 2009, making it the 13th largest producer out of 14 regions. Average annual gas prices dropped by 53.3% in 2009 to $3.65 per gigajoule. So far in 2010, gas prices have averaged $3.73, a slight increase from 2009, and low by historical standards.

The Wood Buffalo region is the only region which does not produce conventional oil in Alberta, yet it is the largest overall oil producer (combining conventional and oil-sands). The region's share of Alberta's unconventional oil production was 66.9% in 2009, and its share of total crude oil output was 51.0%. Oil prices dropped by 38.0% to US$61.80 per barrel in 2009. However, so far in 2010 oil prices have averaged $78.96, an increase of 27.8%.

Over the last five years, the number of spudded wells[13] in the region has dropped 38.4%. Between 2008 and 2009, the spud count dropped by 62.4% to 1211 wells, accounting for 16.7% of the Alberta total. Part of the decline can be attributed to a weak global economy and soft energy prices. However, in the first 10 months of 2010, the number of wells drilled in Alberta rose 44% from the same period of 2009, largely because of a more than doubling in the number of conventional oil wells. The Petroleum Services Association of Canada is forecasting an increase of 5% in 2011 over 2010 for Alberta drilling. These drilling estimates and forecasts should provide some optimism for oil producers in Wood Buffalo.

Economic Indicators: Wood Buffalo Region

Oil and Gas Statistics

	2009	2008	2004	% Change 1 Year	% Change 5 Years
Surface-mined oil production (millions of cubic metres)	48.0	42.0	40.8	14.35%	17.73%
Bitumen production (millions of cubic metres)	9.2	6.9	2.4	33.49%	274.29%
Natural gas production (billions of cubic metres)	1.3	1.5	2.5	-14.49%	-47.83%
Number of wells spudded	1211	3222	1966	-62.41%	-38.40%

Source: Alberta Energy

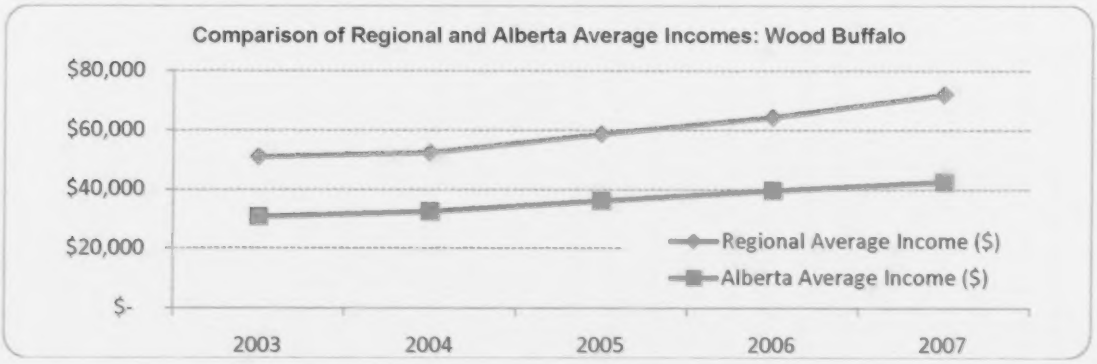
The region's total gas potential represents 2.2% of Alberta's overall reserves.

[13] A spud is the very beginning of a drilling operation for a well

Income, Taxfiler

In 2007, the average individual income in the Wood Buffalo Region was $71,985, an 11.9% increase from 2006, and 69.1% above the provincial average of $42,570 in 2007. In the same year, average couple income[19] in the Wood Buffalo Region was $163,895, an 11% increase from the year before, and 30.6% above the provincial average of $125,485 in 2007..

The percentage of taxfilers that reported an individual gross income over $100,000 was 29%, while 75.1% of taxfilers identified as couples reported an income of over $100,000.



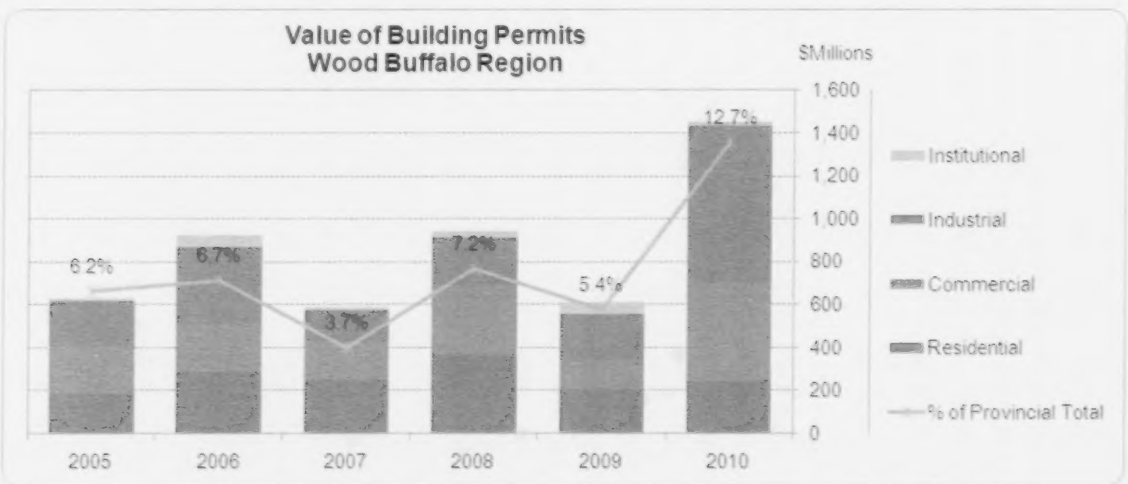
Economic Indicators: Wood Buffalo Region						
	Single Taxfilers			Couple Taxfilers		
	2007	2006	2003	2007	2006	2003
Average Income ($)						
Wood Buffalo	$71,985	$64,320	$51,075	$163,895	$147,655	$117,820
% Change 1 Year	11.9%			11.0%		
% Change 4 Year	40.9%			39.1%		
Alberta	$42,570	$39,560	$30,770	$125,485	$115,965	$87,775
% Change 1 Year	7.6%			8.2%		
% Change 4 Year	38.3%			43.0%		
Income Range						
0 or Negative	7.1%	6.9%	6.2%	0.2%	0.1%	0.1%
$1-$20,000	17.9%	20.2%	25.7%	3.2%	3.7%	3.6%
$20,000-$40,000	14.1%	15.7%	17.5%	4.3%	4.6%	5.6%
$40,000-$60,000	12.5%	12.9%	13.0%	4.8%	5.8%	6.4%
$60,000-$80,000	10.4%	10.9%	11.1%	5.8%	7.4%	9.9%
$80,000-$100,000	9.0%	9.4%	9.8%	6.6%	9.1%	13.5%
Over $100,000	29.0%	24.0%	16.8%	75.1%	69.3%	60.9%
Source: Alberta Finance and Enterprise						

[19] Couples are defined as married or common-law

Investment

In 2010, the total building permit value for the Wood Buffalo region stood at a six-year high of $1.5 billion, making up 12.7% of the provincial total. From 2009 to 2010 the total building permit value for the Wood Buffalo region more than doubled and as of 2010 was 130% above the 2005 level. Much of the increase between 2009 and 2010 is attributable to the commercial permit value rising by 240% to $461 million and industrial permits by 242% to $732 million. Residential building permits experienced a 19% increase to $243 million in 2010. Between 2005 and 2010 residential permits increased by 28%.

The total number of dwelling units for which building permits were taken out in the Wood Buffalo region in 2010 was 892. This was a 6.1% decrease from the previous year and a one-quarter decline from 2005 levels. All of the decline of the past five years in the number of dwellings can be attributed to a 71% decrease in the number of multiple family dwelling units to 194 units in 2010. Over the same period the number of single dwellings increased by 35% to 698 units.



In 2010, the number of housing starts[20] totaled 769 in the Wood Buffalo Census Agglomeration[21], a decline of 29% from 2009's 1,088 starts. This decline was the result of a two-thirds drop in multiple family homes; single-detached starts rose 20% between 2009 and 2010. Housing starts have been on a steady downward path in the region since 2007, when 2,175 units were started.

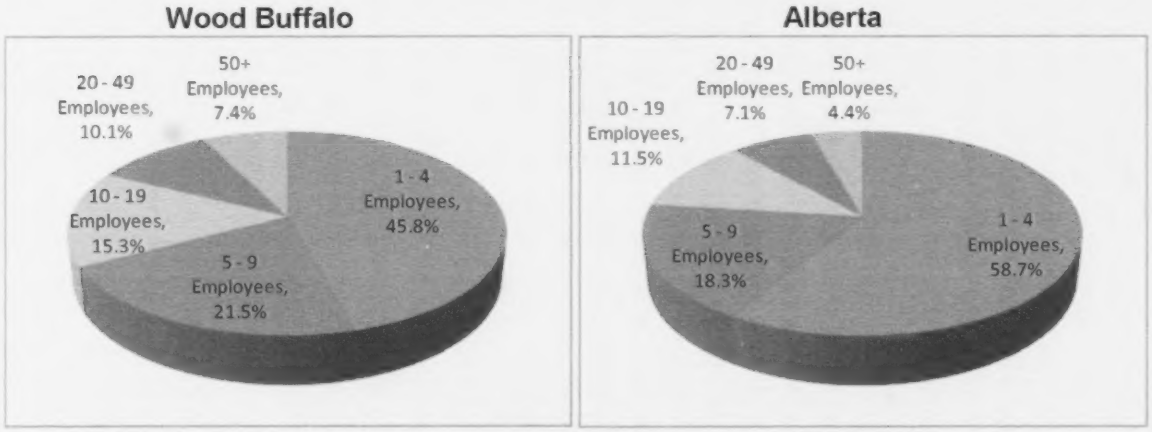
[20] Housing start information is gathered by Canada Mortgage and Housing Commission field offices; building permit estimates are gathered by Statistics Canada from municipalities. A building permit generally precedes the actual start.
[21] Census Agglomerations are standard Statistics Canada geographical areas, that consist of one or more adjacent municipalities situated around a major urban core as defined by; the urban core must have a population of at least 10,000. For the Wood Buffalo region most of the housing units are located within the Census Agglomeration.

Economic Indicators for the Buffalo Region								
Building Permits: Value ($ Millions)								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**%Change 1 Year**	**%Change 5 Years**
Total	1,453.2	611.8	943.1	585.2	927.8	631.4	137.5%	130.2%
% of Provincial Total	12.7%	5.4%	7.2%	3.7%	6.7%	6.2%	7.3%	6.5%
Commercial	460.9	135.7	323.3	176.5	227.0	219.2	239.6%	110.3%
Industrial	731.9	214.2	226.6	145.5	359.2	209.8	241.7%	248.8%
Institutional	17.7	57.4	28.4	13.2	54.8	12.2	-69.2%	44.8%
Residential	242.8	204.5	364.8	249.9	284.8	190.2	18.7%	27.6%
Building Permits: Number of Dwelling Units								
	2010	**2009**	**2008**	**2007**	**2006**	**2005**	**%Change 1 Year**	**%Change 5 Years**
Total	892	950	1,831	1,374	1,878	1,182	-6.1%	-24.5%
% of Provincial Total	3.4%	4.3%	6.5%	2.9%	3.7%	2.7%	-0.9%	0.7%
Single Family Dwellings	698	478	820	754	504	518	46.0%	34.7%
Multiple Family Dwellings	194	472	1,011	620	1,374	664	-58.9%	-70.8%
Source: Statistics Canada, Compiled by Niagara Region and Buffalo Niagara								

Establishments with Employees

In 2010, the Wood Buffalo Region had 1,616 establishments with employees, making up 1.1% of all establishments with employees in Alberta. Of these establishments 1,497 or 92.6% were small companies with between 1 and 49 employees. This region had the lowest small business share of any Alberta region as well as the lowest share of micro businesses with fewer than five employees (45.8%). The Wood Buffalo Region has the largest share of large companies with more than 50 employees (7.4%) compared to an Alberta average of 4.4%.

Number of Establishments by Employee Size in 2010: Wood Buffalo Region and Alberta


Wood Buffalo
20 - 49 Employees, 10.1%
50+ Employees, 7.4%
1 - 4 Employees, 45.8%
10 - 19 Employees, 15.3%
5 - 9 Employees, 21.5%
Alberta
20 - 49 Employees, 7.1%
50+ Employees, 4.4%
10 - 19 Employees, 11.5%
5 - 9 Employees, 18.3%
1 - 4 Employees, 58.7%

Between 2005 and 2010, there was an increase of 9.6% (or 141 companies) in the total number of businesses in the Wood Buffalo Region and a 12.9% rise (or 171 companies) in the number of small businesses. This region has the highest growth rates of all the regions. By comparison, at the provincial level, the total number of businesses increased by 2.3% and small companies experienced an increase of 3.4% over the same period.

In the Wood Buffalo Region, 78% of companies with employees were involved in service industries in 2010. The total number of companies in service industries rose by 7.8% over the past five years, while the goods industry had a 16.6% increase over the same period. Utilities and Construction is the largest industry in the region, making up 17.8% of establishments with employees in the Wood Buffalo Region (the Construction sector accounts for 99% of the 287 companies in this sector). By comparison, 13.8% of establishments with employees are engaged in the Utilities and Construction industry at the provincial level. Other industries with more than 150 establishments are Retail Trade, Other Services, and Professional, Scientific & Technical Services.

Over the past five years, the Mining and Oil and Gas Extraction industry experienced by far the highest growth in the number of businesses, up 89.5% between 2005 and 2010, as a result of new oil sands extraction companies and related oil sands servicing companies (such as drilling and exploration). The Transportation and Warehousing, Health Care and

Social Assistance, and Utilities and Construction industries also had large increases of more than 20% in the number of establishments over the same period.

Numbers of Establishments by Industry Wood Buffalo Region								
All Companies (1+ Employees)					Small Companies (1-49 Employees)			
	2005	2009	2010	5-Year % Change	2005	2009	2010	5-Year % Change
Total, All Industries	**1,475**	**1,612**	**1,616**	**9.6%**	**1,326**	**1,499**	**1,497**	**12.9%**
Total, Goods Industries	**301**	**352**	**351**	**16.6%**	**252**	**314**	**307**	**21.8%**
Agriculture & Forestry	9	1	2	-77.8%	8	1	2	-75.0%
Mining, Oil & Gas Extraction	19	38	36	89.5%	12	27	23	91.7%
Utilities & Construction	234	287	287	22.6%	196	261	258	31.6%
Manufacturing	39	26	26	-33.3%	36	25	24	-33.3%
Total, Service Industries	**1,174**	**1,260**	**1,265**	**7.8%**	**1,074**	**1,185**	**1,190**	**10.8%**
Wholesale Trade	72	90	86	19.4%	69	83	81	17.4%
Retail Trade	195	195	201	3.1%	175	182	187	6.9%
Transportation & Warehousing	85	125	116	36.5%	79	123	111	40.5%
Information, Culture, Recreation & Arts	33	31	32	-3.0%	29	28	28	-3.4%
Finance, Insurance, Real Estate & Leasing	114	117	134	17.5%	101	114	132	30.7%
Professional, Scientific & Technical Services	170	168	161	-5.3%	163	157	149	-8.6%
Administrative & Waste Management Services & Management of Companies	100	104	95	-5.0%	89	87	82	-7.9%
Educational Services	22	21	19	-13.6%	19	18	16	-15.8%
Health Care & Social Assistance	93	110	117	25.8%	90	109	115	27.8%
Accommodation & Food Services	109	103	113	3.7%	90	93	102	13.3%
Other Services Excluding Private Household Services*	173	188	183	5.8%	164	185	181	10.4%
Public Administration	8	8	8	0.0%	6	6	6	0.0%
Source: Canadian Business Patterns, Statistics Canada								

* A new subsector, Private Households (hiring cooks, nannies, etc.) was created in 2006, thereby inflating the 2006 to 2010 estimates for the sector and the region as compared to previous years. Hence, to make the data comparable, the values shown for the "Other Services Excluding Private Household" industry has been adjusted and does not include the Private Households sector data.

Inventory of Major Projects

As of March 31, 2011 there were 92 projects proposed, planned, under construction or recently completed in the Wood Buffalo region. One half of these are Oil Sands developments, and another 25% are Infrastructure projects.

The total value for the projects in the Wood Buffalo region was $94.5 billion, as of March 31, 2011. About 95% of the projects' value is attributable to Oil Sands projects being developed by 33 different companies/consortia.

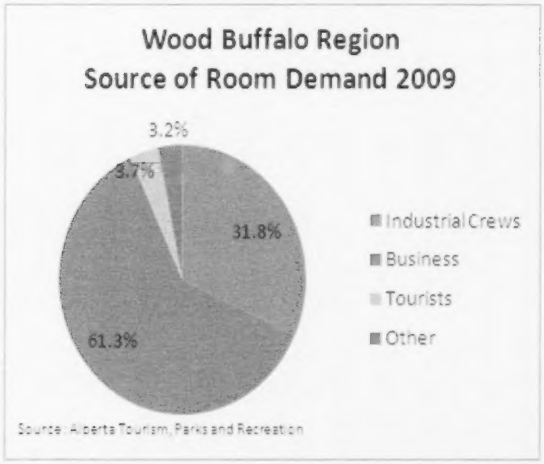
Due to the economic slowdown, several Wood Buffalo projects were put on hold. At the end of March 2011 there were eight Oil Sands projects on hold totaling $1.5 billion, down from the 11 Oil Sands projects valued at $37.8 billion that were on hold at the end of March 2010.

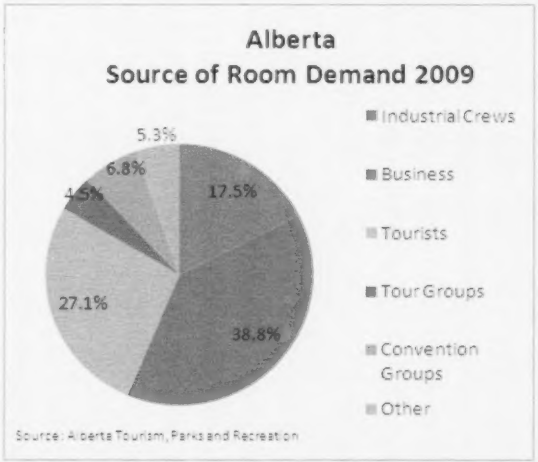
Economic Indicators: Wood Buffalo Region				
Major Construction Projects, As of March 31				
	Number of Projects		**Value ($millions)**	
Industry Sector	**2011**	**2010**	**2011**	**2010**
Commercial/Retail	1	1	$13.0	$10.0
Infrastructure	27	18	$2,496.7	$1,524.7
Institutional	4	4	$198.8	$157.0
Mining	1	0	$30.0	$0.0
Oil Sands	45	42	$89,554.6	$95,452.9
Pipelines	4	2	$1,195.0	$260.0
Power	0	1	$0.0	$27.0
Residential	5	8	$887.0	$834.7
Tourism/Recreation	5	3	$91.0	$195.0
Total	**92**	**79**	**$94,466.1**	**$98,461.3**
% of Provincial Total	**11.0%**	**8.5%**	**51.0%**	**42.8%**
Source: Alberta Finance and Enterprise, Inventory of Major Alberta Projects				

Note: 2010 and 2011 cannot be compared because some projects are carried over several years and there is only one cost available for the entire project.

Accommodation & Hospitality

In 2009 Wood Buffalo Region had 18 accommodation properties with a total of 1,748 rooms, representing 2.8% of available rooms in Alberta. The greatest demand for rooms came from business travelers and industrial crews, who made up 61.3% and 31.8% of room demand respectively. The average occupancy rate in the region was 54.3%, compared to the provincial average of 58.6%. The average room rate was $170.35, which was 51.8% higher than the provincial average of $112.19.





Economic Indicators: Wood Buffalo Region		
Accommodation Statistics	**2008**	**2009**
Wood Buffalo		
Number of Properties	17	18
Supply of Rooms	1,747	1,748
Share of Alberta Rooms	2.8%	2.8%
Average Number of Rooms/Property	102.8	97.1
Occupancy Rate	78.0%	54.3%
Average Room Rate	$183.37	$170.35
Alberta		
Average Number of Rooms/Property	82.5	82.0
Occupancy Rate	68.2%	58.6%
Average Room Rate	$113.54	$112.19
Source: Alberta Tourism, Parks and Recreation		

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You can access the Regional Economic Indicators reports and the following related department publications on the Internet at http://albertacanada.com/about-alberta/statistics-and-publications.html :

- Alberta Oil Sands Industry Quarterly Update
- Facts on Alberta
- Highlights of the Alberta Economy
- Inventory of Major Alberta Projects
- Monthly Economic Review
- Alberta Natural Gas Industry Quarterly Update